BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2003-326-C

IN RE:

Analysis of Continued Availability of Unbundled)	KMC Telecom, III, LLC's
Local Switching for Mass Market Customers)	Responses to BellSouth's
Pursuant to the Federal Communication)	First Set of Interrogatories
Commission's Triennial Review Order)	
	_)	

KMC Telecom, III LLC ("KMC"), pursuant to Order No. 2003-730, issued by the Public Service Commission of South Carolina on December 17, 2203 and S.C. Code Ann. Regs. 103-851 hereby submits the following Responses to BellSouth Telecommunications, Inc.'s ("BellSouth") First Set of Interrogatories to KMC. KMC submits these responses subject to the Objections previously filed by KMC on December 1, 2003.

General Objections

KMC makes the following General Objections to BellSouth's First Set of Interrogatories, including the applicable definitions and general instructions therein ("BellSouth discovery"), which as appropriate will be incorporated into each relevant response.

1. KMC objects to the BellSouth discovery to the extent that such discovery seeks to impose an obligation on KMC to respond on behalf of subsidiaries, affiliates, or other persons that are not parties to this case on the grounds that such discovery is overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules. KMC further objects to any and all BellSouth discovery that seeks to obtain information from KMC or KMC subsidiaries, affiliates, or other related KMC entities that are not certificated by the South

Carolina Public Service Commission ("Commission").

- 2. KMC has interpreted the BellSouth discovery to apply to KMC's regulated intrastate operations in South Carolina and will limit its responses accordingly. To the extent that any BellSouth discovery is intended to apply to matters that take place outside the state of South Carolina and which are not related to South Carolina intrastate operations subject to the jurisdiction of the Commission, KMC objects to such request as irrelevant, overly broad, unduly burdensome, and oppressive.
- 3. KMC objects to the BellSouth discovery to the extent that such discovery calls for information which is exempt from discovery by virtue of the attorney-client privilege, work product privilege, or other applicable privilege.
- 4. KMC objects to the BellSouth discovery insofar as such discovery is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these requests. Any responses provided by KMC in response to the BellSouth discovery will be provided subject to, and without waiver of, the foregoing objection.
- 5. KMC objects to the BellSouth discovery insofar as such discovery is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action.
- 6. KMC objects to the BellSouth discovery insofar as it seeks information or documents, or seeks to impose obligations on KMC which exceed the requirements of the Commission's Rules of Practice and Procedure, the South Carolina Rules of Civil Procedure or other applicable statutes, rules and legal requirements.
 - 7. KMC objects to providing information to the extent that such information is

already in the public record before the South Carolina Public Service Commission or which is already in the possession, custody or control of BellSouth.

- 8. KMC objects to the BellSouth discovery to the extent that such discovery is overly broad, unduly burdensome, expensive, oppressive, or excessively time consuming as written.
- 9. KMC objects to each and every request to the extent that the information requested constitutes "trade secrets" under the Commission's Rules of Practice and Procedure, the South Carolina Rules of Civil Procedure, or other South Carolina law. To the extent that BellSouth's requests seek proprietary confidential business information which is not the subject of the "trade secrets" privilege, KMC is making such information available for counsel for BellSouth pursuant to an Order No. 2003-729, subject to any other general or specific objections contained herein.
- 10. KMC is a large corporation with employees located in many different locations in Louisiana and in other states. In the course of its business, KMC creates countless documents that are not subject to South Carolina Public Service Commission or FCC retention of records requirements. These documents are kept in numerous locations and are frequently moved from site to site as employees change jobs or as the business is reorganized. Therefore, it is possible that not every document that has been identified in response to these requests. KMC will conduct a reasonable and diligent search of those files that are reasonably expected to contain the requested information. To the extent that the BellSouth discovery purports to require more, KMC objects on the grounds that compliance would impose an undue burden or expense.
- 11. KMC objects to the BellSouth discovery that seeks to obtain "all," "each," or "every" document, item, customer, or other such piece of information to the extent that such

discovery is overly broad and unduly burdensome. Any answers that KMC may provide in response to the BellSouth discovery will be provided subject to, and without waiver of, this objection.

- 12. KMC objects to the BellSouth discovery to the extent such discovery seeks to have KMC create documents not in existence at the time of the request.
- 13. KMC objects to the BellSouth discovery to the extent such discovery is not limited to any stated period of time or a stated period of time that is longer than is relevant for purposes of the issues in this docket, as such discovery is overly broad and unduly burdensome.
- 14. In light of the short period of time KMC has been afforded to respond to the BellSouth discovery, the development of KMC's positions and potentially responsive information to the BellSouth requests is necessarily ongoing and continuing. This process is further complicated since at this point in time, the actual issues to be set forth for hearing in this docket have not yet been established by order of the Commission. Accordingly, these objections comply with Order No. 2003-730. KMC reserves the right to supplement, revise, or modify its objections at the time that it serves its actual responses to the BellSouth discovery. However, KMC does not assume an affirmative obligation to supplement its answers on an ongoing basis, contrary to the BellSouth General Instruction.

Specific Objections

KMC makes the following Specific Objections to BellSouth's First Set of Interrogatories including the applicable definitions and general instructions expressed therein ("BellSouth discovery"), which as appropriate will be incorporated into each relevant response when KMC's responses are served on BellSouth.

15. Outside of the discovery request served by BellSouth on November 7, 2003, there

have been discussions between BellSouth and some of the CLECs that this discovery is "regional" in nature and that BellSouth would prefer that the CLECs respond on a regional basis without additional service in these other states. At this point in time, without necessarily agreeing or disagreeing with BellSouth's request for regional answers, KMC reserves its rights to object to providing responsive information for states other than South Carolina. Further, in the event KMC does provide responsive information for states other than South Carolina pursuant to the November 7, 2003, discovery in this South Carolina docket, KMC reserves its rights to not provide such non-South Carolina information in the above-captioned case. Finally, in the event KMC does provide information for states other than South Carolina pursuant to the November 7, 2003, discovery in this South Carolina docket, KMC reserves its rights to provide such non-South Carolina information on a schedule other than that which is specified in any procedural order issued by the Commission.

INTERROGATORIES

INTERROGATORY 1: Identify each switch owned by KMC that KMC uses to provide a qualifying service anywhere in South Carolina, irrespective of whether the switch itself is located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch).

Response: KMC adopts and incorporates its General Objection 9, and its Specific Objections 18, 19, and 21 as if set forth herein verbatim. With respect to KMC's Specific Objection 21, KMC further notes that KMC's response to this interrogatory is based on the definition of "qualifying" and "non-qualifying" service as defined in 47 C.F.R. § 51.5. Specifically, 47 C.F.R. § 51.5 defines a "qualifying service" as "a telecommunications service that competes with a telecommunications service that has been traditionally the exclusive or primary domain of incumbent local exchange carriers ("ILECs"), including, but not limited to, local exchange service, such as plain old telephone service ("POTS"), and access services, such as digital subscriber line services and high capacity circuits." "Non-qualifying services" are defined as services that are "not qualifying service[s]." Id. Without waiving any objection, KMC will construe the terms contained in this interrogatory, in accordance with 47 C.F.R. § 51.5 and applicable law. Further, since an alternative construction would make this question overbroad, KMC will construe all questions related to "qualifying services" as limited specifically to qualifying voice services. Subject to, and without waiving these objections, KMC states as follows: See Confidential Attachment A.

INTERROGATORY 2: For each switch identified in response to Interrogatory No. 1, please:

- (a) provide the Common Language Location Identifier ("CLLI") code of the switch;
- (b) provide the street address, including the city and state in which the switch is located;
- (c) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (d) state the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch=s existing configuration and component parts;
- (e) state the number of voice-grade equivalent lines the switch is currently serving based on the switch=s existing configuration and component parts; and
- (f) provide information relating to the switch as contained in Telcordia's Local Exchange Routing Guide ("LERG"); or, state if the switch is not identified in the LERG.

Response: KMC adopts and incorporates its General Objections 8 and 9, and its Specific Objections 16, 19 and 21, as if set forth herein verbatim, as well as the further clarification with respect to Specific Objection 21 that KMC provided in response to Interrogatory 1. Subject to, and without waiving these objections, KMC states as follows: See Confidential Attachment A. **Responsible KMC Employee**: Objections provided by Counsel. Substantive response provided by Michael P. Duke.

INTERROGATORY 3: Identify any other switch not previously identified in Interrogatory No. 1 that KMC uses to provide a qualifying service anywhere in South Carolina, irrespective of whether the switch itself is located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch). In answering this Interrogatory, do not include ILEC switches used by KMC either on an unbundled or resale basis.

Response: KMC adopts and incorporates its General Objection 9, and its Specific Objections 19 and 21, as if set forth herein verbatim, as well as the further clarification with respect to Specific Objection 21 that KMC provided in response to Interrogatory 1. Subject to, and without waiving these objections, KMC states as follows: KMC does not utilize any other non-ILEC switches to provide qualifying local voice services.

INTERROGATORY 4: For each switch identified in response to Interrogatory No. 3, please:

- (a) identify the person that owns the switch;
- (b) provide the Common Language Location Identifier ("CLLI") code of the switch;
- (c) provide the street address, including the city and state in which the switch is located;
- (d) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (e) describe in detail the arrangement by which you are making use of the switch, including stating whether you are leasing the switch or switching capacity on the switch;
- (f) identify all documents referring or relating to the rates, terms, and conditions of KMC's use of the switch; and
- (g) provide information relating to the switch as contained in Telcordia's Local Exchange Routing Guide ("LERG"); or, state if the switch is not identified in the LERG.

Response: KMC adopts and incorporates its General Objection 9, and its Specific Objections 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC did not identify any switches in response to Interrogatory No. 3.

INTERROGATORY 5: Identify by name, address, and CLLI code each ILEC wire center area, i.e., the territory served by the wire center, in which you provide qualifying service to any end user customers in South Carolina utilizing any of the switches identified in response to Interrogatory No. 1. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

Response: KMC adopts and incorporates its General Objections 9 and 11, and its Specific Objections 17, 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC does not collect, segregate, store, or otherwise track information in the manner requested. However, in an attempt to be response, KMC has provided certain information in its Confidential Attachment B.

INTERROGATORY 6: For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory 1.

Response: KMC adopts and incorporates its General Objections 1, 5, 8, 9 and 11, and its Specific Objections 16, 17, 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates by reference its response to Interrogatory No. 1 as if fully set forth. In addition, KMC does not track line and voice grade equivalent data or end user locations by ILEC wire center areas. However, in an effort to be responsive to BellSouth's request, KMC has provided certain information in its Confidential Attachment B.

INTERROGATORY 7: With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 6, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (I) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;

- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

Response: KMC adopts and incorporates its General Objections 1, 5, 8, 9 and 11, and its Specific Objections 16, 17, 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates by reference its response to Interrogatory No.1 and No. 6 as if fully set forth. KMC does not collect, segregate, store, or otherwise track information in the manner requested. However, in an attempt to be responsive, KMC will submit certain information in a supplemental filing.

INTERROGATORY 8: Identify by name, address, and CLLI code each ILEC wire center area, i.e., the territory served by the wire center, in which you provide qualifying service to any end user customers in South Carolina utilizing any of the switches identified in response to Interrogatory No. 3. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user is located.

Response: KMC adopts and incorporates its General Objection 9, and its Specific Objections 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC did not identify any switches in response to Interrogatory No. 3.

Responsible KMC Employee: Objections provided by Counsel. Substantive response provided by Michael P. Duke.

INTERROGATORY 9: For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory No. 3.

Response: KMC adopts and incorporates its General Objection 9, and its Specific Objections 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC did not identify any switches in response to Interrogatory No. 3.

Responsible KMC Employee: Objections provided by Counsel. Substantive response provided by Michael P. Duke.

INTERROGATORY 10: With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 9, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (I) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;

- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

Response: KMC adopts and incorporates its General Objection 1, 5, 8, 9, and its Specific Objections 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC did not identify any switches in response to Interrogatory No. 3.

INTERROGATORY 11: Identify by name, address, and CLLI code each ILEC wire center area, i.e., the territory served by the wire center, in which you provide qualifying service to any end user customers in South Carolina using an ILEC's switch either on an unbundled or resale basis. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

Response: KMC adopts and incorporates its General Objections 7, 8, 9, and 11, and its Specific Objections 17, 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC does not collect, segregate, store, or otherwise track information in the manner requested. KMC incorporates by reference its response to Interrogatory No.1 as if fully set forth.

INTERROGATORY 12: For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area using an ILEC's switch either on an unbundled or resale basis.

Response: KMC adopts and incorporates its General Objections 7, 9, and 11, and its Specific Objections 16, 17, 19 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Please see answer to the foregoing interrogatory. In an effort to be responsive, KMC has identified and will provide certain information that KMC believes is tailored to be responsive to the information requested based on the manner in which KMC collects the data. See Confidential Attachment C. KMC serves no customers using an ILEC's switch either on an unbundled or resale basis in South Carolina.

INTERROGATORY 13: With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 12, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- ©) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (I) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;

- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

Response: KMC adopts and incorporates its General Objections 1, 5, 7, 8, 9, and 11, and its Specific Objections 15, 16, 18 and 20, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC serves no customers using an ILEC's switch either on an unbundled or resale basis in South Carolina.

INTERROGATORY 14: Do you offer to provide or do you provide switching capacity to another local exchange carrier for its use in providing qualifying service anywhere in the nine states in the BellSouth region. If the answer to this Interrogatory is in the affirmative, for each switch that you use to offer or provide such switching capacity, please:

- (a) Provide the Common Language Location Identifier ("CLLI") code of the switch;
- (b) Provide the street address, including the city and state in which the switch is located;
- ©) Identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (d) State the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch=s existing configuration and component parts;
- (e) State the number of voice-grade equivalent lines the switch is currently serving based on the switch's existing configuration and component parts; and
- (f) Identify all documents referring or relating to the rates, terms, and conditions of KMC's provision of switching capability.

Response: KMC adopts and incorporates its General Objections 1, 2, 5, 8, and 9, and its Specific Objections 19 and 21, as if set forth herein verbatim. KMC does not provide, switching capacity on a common carrier basis to another local exchange carrier for its use in providing local voice qualifying services in South Carolina.

Interrogatory 15: Identify every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service using: (1) the Unbundled Network Element Platform (UNE-P), (2) self-provisioned switching, (3) switching obtained from a third party provider other than an ILEC, or (4) any combination of these items.

Response: KMC adopts and incorporates its General Objections 1, 2, 3, 5, 8, 9, 11, 13, and 15 and its Specific Objections 16, 17, 18, 19, 20, 21, and 22, as if set forth herein verbatim. With respect to KMC's objections, KMC further states that pursuant to the Triennial Review Order, to the extent that this interrogatory requests specific financial, business or proprietary information regarding KMC's economic business model, KMC objects to providing or producing any such information on the grounds that those requests presume that the market entry analysis is contingent upon KMC's economic business model instead of the hypothetical business model contemplated by the Triennial Review Order. The Triennial Review Order explicitly contemplates that in considering whether a competing carrier economically can compete in a given market without access to a particular unbundled network element, the Commission must consider the likely revenues and costs associated with the given market based on the most efficient business model for entry rather than to a particular carrier's business model. TRO at &326. As a result, discovery of KMC financial information or business plans will not lead to the discovery of admissible evidence in this proceeding.

INTERROGATORY 16: Identify any documents that you have provided to any of your employees or agents, or to any financial analyst, bank or other financial institution, shareholder or any other person that describes, presents, evaluates or otherwise discusses in whole or part, how you intend to offer or provide local exchange service, including but not limited to such things as the markets in which you either do participate or intend to participate, the costs of providing such service, the market share you anticipate obtaining in each market, the time horizon over which you anticipate obtaining such market share, and the average revenues you expect per customer.

Response: KMC incorporates its objection to Interrogatory No.15 as if fully set forth.

INTERROGATORY 17: If not identified in response to a prior Interrogatory, identify every document in your possession, custody, or control referring or relating to the financial viability of self-provisioning switching in your providing qualifying services to end user customers.

Response: KMC incorporates its objection to Interrogatory No.15 as if fully set forth.

Do you have switches that are technically capable of providing, but **INTERROGATORY 18:** are not presently being used to provide, a qualifying service in South Carolina? If the answer to

this Interrogatory is in the affirmative, please:

(a) provide the Common Language Location Identifier ("CLLI") code of the switch;

(b) provide the street address, including the city and state in which the switch is located;

(C) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);

(d) state the total capacity of the switch by providing the maximum number of voice-grade

equivalent lines the switch is capable of serving, based on the switch=s existing configuration

and component parts;

state the number of voice-grade equivalent lines the switch is currently serving based on (e)

the switch=s existing configuration and component parts; and

(f) identify any documents in your possession, custody or control that discuss, evaluate,

analyze or otherwise refer or relate to whether those switches could be used to provide a

qualifying service in South Carolina.

KMC adopts and incorporates its General Objections 1, 2, 5, 8, 9, and 11, and its **Response:**

Specific Objections 19 and 21, as if set forth herein verbatim. Subject to, and without waiving

these objections, KMC states as follows: KMC serves no switches for which it has not already

provided responses to BellSouth's request.

Responsible KMC Employee: Objections provided by Counsel.

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INTERROGATORY 19: Identify each MSA in South Carolina where you are currently offering a qualifying service without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

Response: KMC incorporates herein its response to Interrogatory Nos. 8 and 11. Subject to, and without waiving these objections, KMC states as follows: See KMC's South Carolina Tariff filed as Exhibit F.

INTERROGATORY 20: If you offer a qualifying service outside of the MSAs identified in response to Interrogatory 19, identify those geographic areas either by describing those areas in words or by providing maps depicting the geographic areas in which you offer such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

Response: KMC incorporates herein its response to Interrogatory Nos. 8 and 11. Subject to, and without waiving these objections, KMC states as follows: See KMC's South Carolina Tariff filed as Attachment F.

INTERROGATORY 21: Describe with particularity the qualifying services that you offer in the geographic areas described in response to Interrogatories 19 and 20, including the rates, terms, and conditions under which such services are offered. If the qualifying services you offer in those areas vary by area, provide a separate statement of services offered and the rates, terms, and conditions for such services in each area. If this information is contained on a publicly available web site that clearly identifies the relevant geographic areas and identifies the relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that web site. It will not be a sufficient response if the web site requires the provision of a telephone number or series of telephone numbers in order to identify the geographic area in which you provide such service, or the rates, terms and conditions upon which service is provided.

Response: KMC adopts and incorporates its General Objections 2, 5, 8, 9, 10, 11, 12, and 15 and its Specific Objections 17, 18, 19, 20, and 21 as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 1. In an effort to be responsive to this request, KMC notes that it provides local voice qualifying services and other qualifying services under KMC's publicly available tariffs. The rates, terms, and conditions under which services are offered can be found in KMC's South Carolina tariff which is included as Attachment F.

INTERROGATORY 22: Identify each MSA in South Carolina where you are currently offering a non-qualifying service without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

Response: KMC adopts and incorporates its General Objections 2, 5, 8, 11, and 12, and its Specific Objections 18, 20, and 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: See KMC's South Carolina Tariff filed as Attachment F.

INTERROGATORY 23: If you offer a non-qualifying service outside of the MSAs identified in response to Interrogatory 22, identify those geographic areas either by describing those areas in words or by providing maps depicting the geographic areas in which you offer such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

Response: KMC adopts and incorporates its General Objections 2, 4, 5, 8, 11, 12, and 16 and its Specific Objections 18, 19, 20 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: See KMC's South Carolina Tariff filed as Attachment F.

Describe with particularity the non-qualifying services that you **INTERROGATORY 24**:

offer in the geographic areas described in response to Interrogatories 22 and 23, including the

rates, terms, and conditions under which such services are offered. If the non-qualifying services

you offer in those areas vary by area, provide a separate statement of services offered and the

rates, terms, and conditions for such services in each area. If this information is contained on a

publicly available web site that clearly identifies the relevant geographic areas and identifies the

relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that

web site. It will not be a sufficient response if the web site requires the provision of a telephone

number or series of telephone numbers in order to identify the geographic area in which you

provide such service, or the rates, terms and conditions upon which service is provided.

Response: KMC adopts and incorporates its General Objections 2, 4, 5, 8, 11, 12, and 15 and

its Specific Objections 17, 18, 19, 20 and 21, as if set forth herein verbatim. Subject to, and

without waiving these objections, KMC states as follows: KMC incorporates its responses to

Interrogatory No. 1, as if fully set forth herein. See KMC's South Carolina Tariff filed as

Attachment F.

Responsible KMC Employee: Objections provided by Counsel.

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INTERROGATORY 25: Please state the total number of end users customers in the State of South Carolina to whom you only provide qualifying service.

Response: KMC adopts and incorporates its General Objections 4, 8, 5, 8, 9, 11, and 13, and its Specific Objections 17, 18, 20 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its responses to Interrogatory No. 1. Further, KMC responds that it does not maintain the information in the manner requested, and provides information in the manner reported to the Federal Communications Commission in KMC's Form 477 filing, KMC Confidential Attachment G.

Responsible KMC Employee: Objections provided by Counsel. Substantive response provided by Michael P. Duke.

INTERROGATORY 26: For those end user customers to whom you only provide qualifying service in the State of South Carolina, please state the average monthly revenues you receive from each such end user customer.

Response: KMC adopts and incorporates its General Objections 4, 5, 8, 9, 11, and 13, and its Specific Objections 16, 17, 18, and 20, as if set forth herein verbatim, and KMC further states that discovery of KMC financial information or business plans will not lead to the discovery of admissible evidence in this proceeding. Subject to, and without waiving these objections, KMC states as follows: KMC is unable to provide the information as requested. KMC's systems have not been designed to identify those end user customers in the State of South Carolina to whom KMC only provides qualifying service.

INTERROGATORY 27: For those end user customers to whom you only provide qualifying service in the State of South Carolina, please state the average number of lines that you provide each such end user customer.

Response: KMC adopts and incorporates its General Objections 4, 8, 9, 11, and 13, and its Specific Objections 17, 18, 19, 20 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates by reference its response to Interrogatory No. 1 and No. 26 as if fully set forth herein.

INTERROGATORY 28: Please state the total number of end users customers in the State of South Carolina to whom you only provide non-qualifying service.

Response: KMC adopts and incorporates its General Objections 4, 8, 9, 11, and 13, and its Specific Objections 17, 18, 19, 20 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates by reference its response to Interrogatory No. 1 and No. 26 as if fully set forth herein. KMC does not offer any stand alone long distance services.

INTERROGATORY 29: For those end user customers to whom you only provide non-qualifying service in the State of South Carolina, please state the average monthly revenues you receive from each such end user customer.

Response: KMC adopts and incorporates its General Objections 4, 8, 9, 11, 13, and 15 and its Specific Objections 17, 18, 19, 20, and 21 as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its responses to Interrogatory No. 15 as if fully set forth herein.

INTERROGATORY 30: Please state the total number of end users customers in the State of South Carolina to whom you provide both qualifying and non-qualifying service.

Response: KMC adopts and incorporates its General Objections 4, 5, 6, 8, 9, 11, and 13, and its Specific Objections 16, 17, 18, and 20, as if set forth herein verbatim. Further, KMC responds that it does not maintain the information in the manner requested, and provides information in the manner reported to the Federal Communications Commission in KMC's Form 477 filing, KMC Confidential Attachment G.

INTERROGATORY 31: For those end user customers to whom you provide qualifying and non-qualifying service in the State of South Carolina, please state the average monthly revenues you receive from each such end user customer.

Response: KMC adopts and incorporates its General Objections 4, 5, 8, 9, 11, 13, and 15 and its Specific Objections 17, 18, 19, 20, and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC incorporates its responses to Interrogatory No 15 as if fully stated. KMC is unable to provide the information as requested. KMC's systems have not been designed to identify those end user customers in the state of South Carolina based on qualifying versus non-qualifying services.

INTERROGATORY 32: For those end user customers to whom you provide qualifying and non-qualifying service in the State of South Carolina, please state the average number of lines that you provide each such end user customer.

Response: KMC adopts and incorporates its General Objections 4, 5, 8, 9, 11, and 13, and its Specific Objections 17, 18, 19, 20 and 21, as if set forth herein verbatim.

INTERROGATORY 33: Please provide a breakdown of the total number of end user customers served by KMC in South Carolina by class or type of end user customers (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers. For each such classification, and/or if you provide another type of classification, define and describe with specificity the classification so that it can be determined what kinds of customers you have in each classification).

Response: KMC adopts and incorporates its General Objections 4, 5, 8, 9, 11, 13, and 15 and its Specific Objections 17 and 19, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: See response to Interrogatory No. 25. KMC doesn't serve residential customers. KMC only provides services to business customers.

INTERROGATORY 34: For each class or type of end user customer referenced in Interrogatory No. 33, please state the average acquisition cost for each such end user class or type. Please provide this information for each month from January 2000 to the present.

Response: KMC adopts and incorporates its General Objections 4, 5, 8, 9, 11, 13, and 15 and its Specific Objections 17 and 19, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 15 as if fully stated.

INTERROGATORY 35: For each class or type of end user customer referenced in Interrogatory No. 33, please state the typical churn rate for each such end user class or type. Please provide this information for each month from January 2000 to the present.

Response: KMC adopts and incorporates its General Objections 4, 5, 8, 9, 11, 13, and 15 and its Specific Objections 16 and 18, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 15 as if fully stated.

INTERROGATORY 36: For each class or type of end user customer referenced in Interrogatory No. 33, please state the share of the local exchange market you have obtained. Please provide this information for each month from January 2000 to the present.

Response: KMC adopts and incorporates its General Objections 4, 5, 7, 8, 9, 11, 13, and 15 and its Specific Objections 17, 19, and 23, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC relies on industry publications assessing "market shares." Accordingly, it is KMC's belief that BellSouth has possession, custody, or control of those same industry publications.

INTERROGATORY 37: Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to your cumulative market share of the local exchange market in South Carolina.

Response: KMC adopts and incorporates its General Objections 4, 5, 7, 8, 9, 11, 13, and 15 and its Specific Objections 17, 19, and 23, as if set forth herein verbatim. KMC relies on industry publications assessing "market shares." Accordingly, it is KMC's belief that BellSouth has possession, custody, or control of those same industry publications.

INTERROGATORY 38: Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to any projections that you have made regarding your cumulative market share growth in the local exchange market in South Carolina.

Response: KMC adopts and incorporates its General Objections 4, 5, 7, 8, 9, 11, 13, and 15 and its Specific Objections 17, 19, and 23, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC relies on industry publications assessing "market shares." Accordingly, it is KMC's belief that BellSouth has possession, custody, or control of those same industry publications.

INTERROGATORY 39: Describe how the marketing organization that is responsible for marketing qualifying service in South Carolina is organized, including the organization=s structure, size in terms of full time or equivalent employees including contract and temporary employees, and the physical work locations for such employees. In answering this Interrogatory, please state whether you utilize authorized sales representatives in your marketing efforts in South Carolina, and, if so, describe with particularity the nature, extent, and rates, terms, and conditions of such use.

Response: KMC adopts and incorporates its General Objections 1, 5, 8, 9, 10, 11, and 15 and its Specific Objection 17, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 15 as if fully stated.

INTERROGATORY 40: How do you determine whether you will serve an individual customer's location with multiple DS0s or whether you are going to use a DS1 or larger transmission system? Provide a detailed description of the analysis you would undertake to resolve this issue, and identify the factors that you would consider in making this type of a decision.

Response: KMC adopts and incorporates its General Objections 8, 9, and 15 and its Specific Objections 17 and 18, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: The determination as to whether to serve an individual customer's location with multiple DS0s or to use a DS1 or larger transmission system is typically driven by the services that the customer requests. In addition to the assessing the customer=s needs, other network considerations must also be evaluated (for example, will the customer be on-net or "off-net"). Consideration must also be given to the cost of provisioning multiple DS0s versus the cost of provisioning a DS1. These costs include installation costs, monthly recurring costs, and for customers who request data connectivity with their dial tone, the costs of additional electronics required to deliver service. The cost relationship between DS0s and DS1s can vary significantly between markets, and within a market, given that costs may vary by rate zone. These differences must be analyzed on a case-by-case basis.

INTERROGATORY 41: Is there a typical or average number of DS0s at which you would chose to serve a particular customer with a DS1 or larger transmission system, all other things being equal? If so, please provide that typical or average number and explain how this number was derived.

Response: KMC adopts and incorporates its General Objections 8, 9, and 15 and its Specific Objections 17, 19, and 23 as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: There is no typical or average number of DS0s at which KMC would chose to serve a particular customer with a DS1 or larger transmission system. As stated in Interrogatory 40, the decision is based on a number of cost factors which can vary significantly. KMC does not have any empirical data on which to base an answer, but based on the collective knowledge of KMC's Sales and Product Management organizations, the number of DS0s can be as low as 5 in some cases and as high as 15 DS0s in other cases.

INTERROGATORY 42: What additional equipment, if any, would be required (on the customer's side of the demarcation point rather than on network side of the demarcation point) to provide service to a customer with a DS1 rather than multiple DS0s? For instance, if a customer had 10 DS0s, and you want to provide the customer with the same functionality using a DS1, would a D-4 channel bank, or a digital PBX be required in order to provide equivalent service to the end user that has 10 DS0s? If so, please provide the average cost of the equipment that would be required to provide that functional equivalency (that is, the channel bank, or the PBX or whatever would typically be required should you decide to serve the customer with a DS1 rather than multiple DS0s.)

Response: KMC adopts and incorporates its General Objections 5, 9, and 15 and its Specific Objections 17 and 19, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: See Confidential Attachment C.

INTERROGATORY 43: What cost of capital do you use in evaluating whether to offer a qualifying service in a particular geographic market and how is that cost of capital determined?

Response: KMC adopts and incorporates its General Objections 5, 8, 9, and 15 and its Specific Objection 21, as if set forth herein verbatim, and KMC further states that KMC's "cost of capital" used in evaluating whether to offer a qualifying service in a particular geographic market and the analysis in determining the cost of capital is not relevant or reasonably calculated to lead to the discovery of admissible evidence. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 15 as if set forth.

INTERROGATORY 44: With regard to the cost of capital you use in evaluating whether to provide a qualifying service in a particular geographic market, what are the individual components of that cost of capital, such as the debt-equity ratio, the cost of debt and the cost of equity?

Response: KMC adopts and incorporates its General Objections 5, 8, 9, and 15 and its Specific Objection 21, as if set forth herein verbatim, and KMC further states that KMC's "cost of capital" used in evaluating whether to offer a qualifying service in a particular geographic market and the analysis in determining the cost of capital is not relevant or reasonably calculated to lead to the discovery of admissible evidence. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 15 as if set forth.

INTERROGATORY 45: In determining whether to offer a qualifying service in a particular geographic market, what time period do you typically use to evaluate that offer? That is, do you use one year, five years, ten years or some other time horizon over which you evaluate the project?

Response: KMC adopts and incorporates its General Objections 5, 8, 9, and 15 and its Specific Objections 17 and 21 as if set forth herein verbatim, and KMC further states that KMC's determination of whether to offer a "qualifying service in a particular geographic market" and the time periods involved in such evaluation are irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 15 as if set forth.

INTERROGATORY 46: Provide your definition of sales expense as that term is used in your business.

Response: KMC adopts and incorporates its General Objections 5, 8, 9, and 15 and its Specific Objections 17 and 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC utilizes generally accepted accounting principles ("GAAP") to categorize sales expenses.

INTERROGATORY 47: Based on the definition of sales expense in the foregoing Interrogatory, please state how you estimate sales expense when evaluating whether to offer a qualifying service in a particular geographic market?

Response: KMC adopts and incorporates its General Objections 5, 8, 9, and 15 and its Specific Objections 17 and 21, as if set forth herein verbatim, and KMC further states that KMC's determination of whether to offer a "qualifying service in a particular geographic market" and the time periods involved in such evaluation are irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its objections to Interrogatory No. 15 as if set forth.

INTERROGATORY 48: Provide your definition of general and administrative (G&A) costs as you use those terms in your business.

Response: KMC adopts and incorporates its General Objections 5, 8, 9, and 15 and its Specific Objections 17 and 21, as if set forth herein verbatim.

INTERROGATORY 49: Based on the definition of G&A costs in the foregoing Interrogatory, please state how you estimate G&A expenses when evaluating whether to offer a qualifying service in a particular geographic market?

Response: KMC adopts and incorporates its General Objection 5, 8, 9, and 15 and its Specific Objections 17 and 21, as if set forth herein verbatim, and KMC further states that KMC's determination of whether to offer a "qualifying service in a particular geographic market" and the time periods involved in such evaluation are irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Subject to, and without waiving these objections, KMC states as follows: KMC incorporates its response to Interrogatory No. 15 as if set forth.

INTERROGATORY 50: For each day since January 1, 2000, identify the number of individual hot cuts that BellSouth has performed for KMC in each state in BellSouth's region.

Response: KMC adopts and incorporates its General Objections 7, 9, 11, and 13, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Upon information and belief, BellSouth is in possession of documents and other information requested in Interrogatory No. 50. If BellSouth will provide such information and documentation to KMC, KMC will confirm or deny the information contained in BellSouth's records.

INTERROGATORY 51: For each individual hot cut identified in response to Interrogatory No. 50, state:

- I. Whether the hot cut was coordinated or not;
- ii. If coordinated, whether the hot cut occurred as scheduled;
- iii. If the hot cut did not occur as scheduled, state whether this was due to a problem with BellSouth, KMC, the end-user customer, or some third party, and describe with specificity the reason the hot cut did not occur as scheduled;
- iv. If there was a problem with the hot cut, state whether KMC complained in writing to BellSouth or anyone else.

Response: KMC adopts and incorporates its General Objections 7, 8, 9, 11, and 13, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Upon information and belief, BellSouth is in possession of documents and other information requested in Interrogatory No. 51. If BellSouth will provide such information and documentation, KMC reserves the right to confirm or deny the information contained in BellSouth's records.

INTERROGATORY 52: Does KMC have a preferred process for performing batch hot cuts? If the answer to this Interrogatory is in the affirmative, please describe this process with particularity and identify all documents that discuss, describe, or otherwise refer or relate to this preferred process.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 21, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 53: Does KMC have a preferred process for performing individual hot cuts? If the answer to this Interrogatory is in the affirmative, please describe this process with particularity and identify all documents that discuss, describe, or otherwise refer or relate to this preferred process.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory. KMC's preferred process is AT&T's proposed "electronic loop provisioning" ("ELP") process. The ELP process allows the provisioning of loops used for local service to be operationally and competitively neutral, making it the local service counterpart of "equal access" in the long-distance market. In the ELP process, consumers would be able to change their local carrier seamlessly, and no carrier would have an inordinate advantage in competing for a customer=s business.

INTERROGATORY 54: If KMC has a preferred process for individual hot cuts that differs from BellSouth's process, identify each specific step in KMC's process that differs from BellSouth's process.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: See response to Interrogatory No. 53.

INTERROGATORY 55: If KMC has a preferred process for bulk hot cuts that differs from BellSouth's process, identify each specific step in KMC's process that differs from BellSouth=s process.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC requested a copy of BellSouth's bulk hot cut process. Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 56: Does KMC have any estimates of what a typical individual hot cut should cost? If the answer to this Interrogatory is in the affirmative, please provide that estimate, describe with particularity how that estimate was calculated, and identify all documents referring or relating to such estimates.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC does not have a specific rate at this time, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 57: Does KMC have any estimates of what a typical bulk hot cut should cost? If the answer to this Interrogatory is in the affirmative, please provide that estimate, describe with particularity how that estimate was calculated, and identify all documents referring or relating to such estimates.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC does not have a specific rate at this time, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory. Without waiving rights to provide additional information subject to a more detailed analysis, KMC notes that the FCC suggests that such a rate should be based on TELRIC, TRO at 489.

INTERROGATORY 58: What is the largest number of individual hot cuts that KMC has requested in any individual central office in each of the nine BellSouth states on a single day? In answering this Interrogatory, identify the central office for which the request was made, and the number of hot cuts that were requested. State with specificity what the outcome was for each of the hot cuts in each of the central offices so described, if not provided in response to an earlier interrogatory.

Response: KMC adopts and incorporates its General Objections 2, 7, 8, 9, and 10, and its Specific Objection 19 as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: The requested information is in the possession, custody and control of BellSouth. If BellSouth will provide such information and documentation to KMC, KMC will confirm or deny the information contained in BellSouth's records.

INTERROGATORY 59: Does any ILEC in the BellSouth region have a batch hot cut process that is acceptable to KMC or that KMC believes is superior to BellSouth's batch hot cut process? If so, identify the ILEC and describe with particularity the ILEC's batch hot cut process, specifying any differences between the ILEC's batch hot cut process and BellSouth's.

Response: KMC adopts and incorporates its General Objections 3, 8, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: No, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 60: Does any ILEC in the BellSouth region have a cost for a batch hot cut process that is acceptable to KMC? If so, name the ILEC and provide the rate and the source of the rate.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: No, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 61: Does any ILEC in the BellSouth region have an individual hot cut process that is acceptable to KMC or that KMC believes is superior to BellSouth's individual hot cut process? If so, identify the ILEC and describe with particularity the ILEC's individual hot cut process, specifying any differences between the ILEC's individual hot cut process and BellSouth's.

Response: KMC adopts and incorporates its General Objections 3, 8, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: No, no ILEC in the BST region has a hot cut process that KMC finds to be efficient. However, discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 62: Does any ILEC in the BellSouth region have a rate for an individual hot cut process that is acceptable to KMC? If so, name the ILEC and provide the rate and the source of the rate.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: No, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 63: Does any ILEC outside the BellSouth region have a batch hot cut process that is acceptable to KMC or that KMC believes is superior to BellSouth=s batch hot cut process? If so, identify the ILEC and describe with particularity the ILEC's batch hot cut process, specifying any differences between the ILEC's batch hot cut process and BellSouth's.

Response: KMC adopts and incorporates its General Objections 3, 8, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: No, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 64: Does any ILEC outside the BellSouth region have a rate for a batch hot cut process that is acceptable to KMC? If so, name the ILEC and provide the rate and the source of the rate.

Response: KMC adopts and incorporates its General Objections 3, 8, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: No, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 65: Does any ILEC outside the BellSouth region have an individual hot cut process that is acceptable to KMC or that KMC believes is superior to BellSouth=s individual hot cut process? If so, identify the ILEC and describe with particularity the ILEC's individual hot cut process, specifying any differences between the ILEC's individual hot cut process and BellSouth's.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: No, however discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 66: Does any ILEC outside the BellSouth region have a rate for an individual hot cut process that is acceptable to KMC? If so, name the ILEC and provide the rate and the source of the rate.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC supports, generally, the CompSouth and FCCA analyses and proposals. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 67: Does KMC order coordinated or non-coordinated hot cuts?

Response: KMC adopts and incorporates its General Objections 2, 7, 8, 9, and 10, and its Specific Objection 19, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC orders both coordinated and non-coordinated hot cuts.

Responsible KMC Employee: Objections provided by Counsel. Substantive response provided by Michael P. Duke.

INTERROGATORY 68: Does KMC use the CFA database?

Response: KMC adopts and incorporates its General Objection 9, and its Specific Objection 16, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC uses its own CFA database, it does not use BellSouth's CFA database. KMC does use BellSouth's CFA and PMAP to cross-reference circuits.

INTERROGATORY 69: Identify every issue related to BellSouth's hot cut process raised by KMC at the South Carolina CLEC collaborative since October 2001.

Response: KMC adopts and incorporates its General Objection 7, and its Specific Objection 21, as if set forth herein verbatim. KMC is not aware of any South Carolina CLEC collaborative that has occurred since October 2001.

Responsible KMC Employee: Objections provided by Counsel. Substantive response provided by John McLaughlin.

INTERROGATORY 70: What is the appropriate volume of loops that you contend the South Carolina Public Service Commission should use in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 71: What is the appropriate process that you contend the South Carolina Public Service Commission should use in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 72: If KMC disagrees with BellSouth's individual hot cut process, identify every step that KMC contends is unnecessary and state with specificity why the step is unnecessary.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 73: If KMC disagrees with BellSouth's bulk hot cut process, identify every step that KMC contends is unnecessary and state with specificity why the step is unnecessary.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 74: Identify by date, author and recipient every written complaint KMC has made to BellSouth regarding BellSouth's hot cut process since October 2001.

Response: KMC adopts and incorporates its General Objections 2, 7, 8, 9, and 10, and its Specific Objection 19, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: KMC has not filed any formal complaints against BellSouth related to the Hot Cut Process. KMC did raise general concerns regarding BellSouth's performance on several provisioning related metrics, including the hot cut process, in KMC's Ex Parte presentation to the Federal Communications Commission in the context of BellSouth's '271 Checklist Violations WC Docket 02-307 on October 30, 2002. Specifically, KMC asserted the following:

- BellSouth Has Failed to Provide Access to Loops in Accordance with Checklist Item iv.
- BellSouth's Performance Data Reveals Extremely Poor Access and Service.
- BellSouth's access to loop facilities is clearly discriminatory, based on its own measure for percent of orders placed in jeopardy status:

Percent of Orders Placed in Jeopardy Status Digital Loops DS-1 and Above August, 2002(All CLEC Orders, Mechanized)

State	BellSouth	<u>CLECs</u>
<u>Florida</u>	<u>10%</u>	<u>67%</u>
<u>Georgia</u>	29%	<u>73%</u>

Responsible KMC Employee: Objections provided by Counsel. Substantive response provided by John McLaughlin.

INTERROGATORY 75: How many unbundled loops does KMC contend BellSouth must provision per state per month to constitute sufficient volume to assess BellSouth's hot cut process?

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 76: What is the appropriate information that you contend the South Carolina Public Service Commission should consider in evaluating whether the ILEC is capable of migrating multiple lines served using unbundled local circuit switching to switches operated by a carrier other than the ILEC in a timely manner in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 77: What is the average completion interval metric for provision of high volumes of loops that you contend the Commission should require in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 78: What are the rates that you contend the Commission should adopt in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: KMC adopts and incorporates its General Objections 3, 11, 12, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: In general, as indicated in the FCC Rule referenced above, rates must be set in accordance with the FCC UNE Pricing Rules. Discovery in this case is continuing in nature and any specific response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 79: What are the appropriate product market(s) that you contend the Commission should use in implementing FCC Rule 51.319(d)(2)(I)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: KMC adopts and incorporates its General Objections 3, 11, and 14, and its Specific Objection 22, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 80: What are the appropriate geographic market(s) that you contend the Commission should use in implementing FCC Rule 51.319(d)(2)(I)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: KMC adopts and incorporates its General Objections 3, 11, and 14, and its Specific Objection 23, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 81: Do you contend that there are operational barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(2) that would support a finding that requesting telecommunications carriers are impaired without access to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such operational barrier, and state all facts and identify all documents supporting your contention.

Response: KMC adopts and incorporates its General Objections 3, 11, and 14, and its Specific Objection 23, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 82: Do you contend that there are economic barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(3) that would support a finding that requesting telecommunications carriers are impaired without access to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such economic barrier, and state all facts and identify all documents supporting your contention.

Response: KMC adopts and incorporates its General Objections 3, 11, and 14, and its Specific Objection 23, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

INTERROGATORY 83: What is the maximum number of DS0 loops for each geographic market that you contend requesting telecommunications carriers can serve through unbundled switching when serving multiline end users at a single location that the Commission should consider in establishing a "cutoff" consistent with FCC Rule 51.319(d)(2)(iii)(B)(4)? In answering this Interrogatory, please state all facts and identify all documents supporting this

Response: KMC adopts and incorporates its General Objections 3, 11, and 14, and its Specific Objection 23, as if set forth herein verbatim. Subject to, and without waiving these objections, KMC states as follows: Discovery in this case is continuing in nature and any response to this interrogatory is premature. KMC has not formulated a response to this interrogatory at this early stage in the proceeding. KMC specifically reserves the right to provide additional information relevant to the issue addressed in this Interrogatory.

Responsible KMC Employee: Objections provided by Counsel. Substantive response provided by Michael P. Duke.

SOWELL GRAY STEPP & LAFFITTE, LLC

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Columbia, South Carolina February 6, 2004

contention.

CERTIFICATE OF SERVICE

I, the undersigned of the law offices of Sowell Gray Stepp & Laffitte, L.L.C., attorneys for Competitive Carriers of the South, Inc. ("CompSouth"), do hereby certify that I have served a copy of the pleading(s) hereinbelow specified via e-mail to the following address(es):

Pleadings: Competitive Carriers of the South, Inc.'s Second Set of Interrogatories to BellSouth Telecommunications, Inc.

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The Honorable Bruce Duke
Acting Executive Director
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February 6, 2004